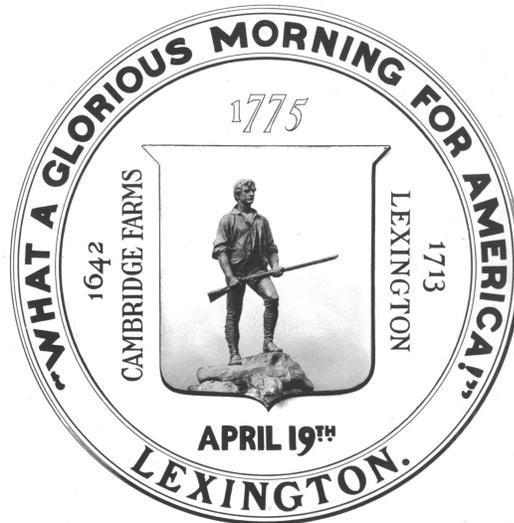


CAPITAL EXPENDITURES COMMITTEE

TOWN OF LEXINGTON



REPORT TO THE
April 25, 2016, SPECIAL TOWN MEETING (STM)
2016-4

Released April 20, 2016

Submitted by:

Jill I. Hai, Chair

David G. Kanter, Vice-Chair & Clerk

Elizabeth DeMille Barnett

Rodney Cole

Wendy Manz

Warrant-Article Explanations and Recommendations

Cites of the “Town Warrant” refer to “TOWN WARRANT, Town of Lexington, Special Town Meeting 2016-4” for Meeting on April 25, 2016.

Article 2: MINUTEMAN REGIONAL SCHOOL BONDING AUTHORIZATION	Fund Authorization Requested	Funding Source	Committee Recommends
	None	N/A	Approval (4-0)

“To see if the Town will approve the amount of \$144,922,478 for the purpose of paying costs of designing, constructing and originally equipping a new district school, to be located at 758 Marrett Road, Lexington, Massachusetts, and for the payment of all other costs incidental and related thereto (the “Project”)...To meet this appropriation, the District is authorized to borrow said amount, under and pursuant to Chapter 71, Section 16(d) of the General Laws, and the District Agreement, as amended, or pursuant to any other enabling authority...and that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the District and the MSBA.”

“DESCRIPTION: The Minuteman Regional School Committee voted on March 15, 2016 to incur debt for a new district school. If no member town votes its disapproval within 60 days of the School Committee vote, the debt will be deemed approved.”

[Town Warrant for 2016-4]

All funding for the Minuteman district, including the apportioned payment of debt financing for the new district school, would come through the assessment process and be an expense of the Operating Budget. Nonetheless, this Committee is reporting on this matter—as it did on the February 8, 2016, STM 2016-1’s Article 2 regarding the amendment to that District’s Regional School District Agreement.

Inaction by any District Town in this matter is considered as acquiescing to the use of debt financing for this project. While this Town’s overwhelming support of the amended District Agreement (latest iterations passed 143 votes for, 3 opposed, and 3 abstentions)—which Agreement set the stage for the new-school project—showed this Town’s endorsement of the project, this Committee applauds the Board of Selectmen’s decision to bring this Bonding Authorization to Town Meeting for an on-the-record vote which explicitly affirms the Town’s acceptance of the apportioned expense of the debt financing.

This Committee appreciates such debt financing is the only feasible means for achieving that new school. In the absence of this authorization, the member towns would be required to undertake a renovation cost at a greater cost and over a longer period of time—and resulting in a lesser facility. Therefore, this Committee adds its endorsement of the Bonding Authorization. Please read the Appropriation Committee’s report to this STM, Part 1, released April 18, 2016, for an extensive description of the background on the school, this new-school project, and the funding of the project.

Article 4: AMEND GENERAL BYLAWS- CAPITAL EXPENDITURES COMITTEE	Fund Authorization Requested	Funding Source	Committee Recommends
	None	N/A	Approval (4-0)

“To see if the Town will vote to amend Section 29-12 of Chapter 29 (Committees) of the Code of the Town of Lexington to allow for an increase in the number of appointees to the Capital Expenditures Committee, or act in any other manner in relation thereto.”

“DESCRIPTION: This article would provide the Moderator with the flexibility to increase the number of appointees to the Capital Expenditures Committee. A potential increase in the size of the Committee, at the discretion of the Moderator, is currently necessitated by the greater number of complex capital projects contemplated by the Town, and will help insure that the Committee has the capacity to meet the increased demand for review and analysis of those projects.”

[Town Warrant for 2016-4]

Currently, Lexington’s By-Laws limit the CEC membership to five members. Passage of this Article would allow the Moderator to appoint as many as two additional members. The current number of existing and proposed major capital projects facing the town and the increasing scope and complexity of the ongoing annual capital budget mean a four- to five-month, intensive, work cycle for the committee. Increasing the membership allows adjustment of the workload of each member preserving the possibility of participation on the CEC by a cross section of residents who may balance family, volunteer, and professional commitments.

Article 5: PURCHASE OF BELMONT COUNTRY CLUB LAND	Fund Authorization Requested	Funding Source	Committee Recommends
	To Be Determined	To Be Determined	Pending

To see if the Town will vote to exercise the Town’s right of first refusal pursuant to G.L. c. 61B to purchase or otherwise acquire for municipal purposes a portion of the parcel of land shown as Lot 2A on Assessors’ Map 1 and owned by The Belmont Country Club, Inc.; appropriate a sum of money therefore and determine whether the money shall be provided by the tax levy, by transfer from available funds, including Community Preservation Act funds, by borrowing, or by any combination of these methods; or act in any other manner in relation thereto.”

“DESCRIPTION: The land referred to in this article is the subject of a purchase and sale agreement between the Belmont Country Club as owner and the Montessori school as purchaser. Because this parcel has received favorable property tax status, known as Chapter 61B, the Town has a right of first refusal to purchase it for the same amount negotiated by the Montessori School.”

[Town Warrant for 2016-4]

At the time of this report, the Board of Selectmen’s position regarding whether to exercise that right and proceed with the purchase has not been made public. As this Committee (without Ms. Hai who has recused herself from this matter) considers knowing that position is important to its own deliberations, it has taken no position at the time of this report. It is understood that presentation of this Article has been postponed to a session of this STM not earlier than May 9, 2016. When sufficient information has been made available, a position on this Article will be taken and then reported to this STM.